

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

-----x

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO HIGHWAYS AND
TRANSPORTATION AUTHORITY (“HTA”)

Debtor.

PROMESA

Title III

No. 17 BK 3567-LTS

**Re: ECF No. 7646, 7689, 7832,
8244, 12005, 12523, 12533,
13541, 13703, 13904, 14132, &
14417**

**URGENT JOINT MOTION OF THE GOVERNMENT PARTIES AND
THE DRA PARTIES FOR MODIFICATION OF CERTAIN DEADLINES IN THE
ORDER APPROVING JOINT STIPULATION OF THE GOVERNMENT PARTIES
AND THE DRA PARTIES REGARDING THE DRA PARTIES’ MOTION AND
MEMORANDUM OF LAW IN SUPPORT OF THEIR MOTION FOR RELIEF FROM
THE AUTOMATIC STAY, OR IN THE ALTERNATIVE,
ORDERING PAYMENT OF ADEQUATE PROTECTION**

¹ The Debtors in these Title III cases, along with each Debtor’s respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566(LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), and (iv) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801).

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), pursuant to the authority granted to it under the Enabling Act of the Fiscal Agency and Financial Advisory Authority, Act 2-2017, the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board” and together with AAFAF the “Government Parties”), in its capacity as Title III representative of the Commonwealth of Puerto Rico (the “Commonwealth”) and the Puerto Rico Highways and Transportation Authority (“HTA”) pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act*, 48 U.S.C. § 2101 *et seq.* (“PROMESA”), AmeriNational Community Services, LLC (the “Servicer”), as servicer for the GDB Debt Recovery Authority (the “DRA”), and Cantor-Katz Collateral Monitor LLC, a Delaware limited liability company (the “Collateral Monitor,” and together with the Servicer, collectively, the “DRA Parties”),² by and through their respective attorneys, and respectfully submit this urgent motion (the “Urgent Motion”) requesting as follows:

1. On June 25, 2019, the DRA Parties filed the *DRA Parties’ Motion and Memorandum of Law in Support of Their Motion for Relief from the Automatic Stay, or in the Alternative, Ordering Payment of Adequate Protection* [ECF No. 7643] (the “DRA Stay Motion”).
2. On July 3, 2019, the Court entered the *Order Approving Joint Stipulation Regarding the DRA Parties’ Motion and Memorandum of Law in Support of Their Motion For Relief from the Automatic Stay, or in the Alternative, Ordering Payment of Adequate Protection* (the “Original Order”) [ECF No. 7832], which provided that the briefing and hearing schedule regarding the DRA Stay Motion would be bifurcated to first determine the DRA Parties’ standing to bring the DRA Stay Motion (the “Standing Issue”) and set an agreed briefing schedule with respect to that issue.

² The Government Parties and the DRA Parties are sometimes hereinafter referred to as the “Parties” and each, a “Party”.

3. After various adjournments and procedural developments,³ on September 28, 2020, the Court issued the *Order Approving Joint Stipulation of the Government Parties and the DRA Parties Regarding the DRA Parties' Motion and Memorandum of Law in Support of their Motion for Relief from the Automatic Stay, or in the Alternative, Ordering Payment of Adequate Protection* (the “Amended Scheduling Order”) [ECF No. 14417], which set forth the following litigation schedule with respect to the DRA Stay Motion:

- a) The DRA Parties will file an amended DRA Stay Motion by no later than March 31, 2021;
- b) The Government Parties will file any objection to an amended DRA Stay Motion (on an individual or joint basis), solely concerning the Standing Issue, no later than April 21, 2021;
- c) The DRA Parties will file a response in support of an amended DRA Stay Motion (the “DRA Response”), solely concerning the Standing Issue, no later than May 5, 2021; and
- d) The Government Parties will file a reply (on an individual or joint basis) to the DRA Response, solely concerning the Standing Issue, by no later than May 12, 2021 (the “Government Parties Reply”).

4. In compliance with the Amended Scheduling Order, on March 31, 2021, the DRA Parties filed *The DRA Parties' Amended Motion and Memorandum of Law in Support of their Request for Adequate Protection or Relief from the Automatic Stay* (the “Amended DRA Stay Motion”) [ECF. No. 16276], and on April 21, 2021, the Government Parties filed *The Government Parties Objection to the DRA Parties' Standing to Seek Relief from the Automatic Stay or in the*

³ A summary of these are identified in the *Joint Stipulation of the Government Parties and the DRA Parties Regarding the DRA Parties' Motion and Memorandum of Law in Support of their Motion for Relief from the Automatic Stay, or in the Alternative, Ordering Payment of Adequate Protection* [ECF No. 14407].

Alternative, Ordering Payment of Adequate Protection (the “Standing Objection”) [ECF. No. 16518].⁴

5. The Parties have agreed to seek an extension to certain of the deadlines set forth in the Amended Scheduling Order. Specifically, they respectfully request that the DRA Response and the Government Parties Reply deadlines be modified as:

- a) The DRA Parties will file their DRA Response in support of the Amended DRA Stay Motion, solely concerning the Standing Issue, no later than May 19, 2021; and
- b) The Government Parties will file their Government Parties Reply (on an individual or joint basis) to the DRA Response, solely concerning the Standing Issue, by no later than June 2, 2021.

6. The terms of the Amended Scheduling Order not otherwise modified by this Urgent Motion will continue to remain in full force and effect.

WHEREFORE, The Parties hereby respectfully request that the DRA Response and the Government Parties Reply deadline set forth in the Amended Scheduling Order be modified pursuant to the agreement reached by the Parties in this Urgent Motion, and that the Court enter a revised Amended Scheduling Order substantially in the form attached hereto as Exhibit A.

NOTICE: We hereby certify that, in accordance with the Court’s *Fourteenth Amended Notice, Case Management and Administrative Procedures Order* (the “CMP Order”) [ECF No. 15894-1], on this same date, we electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to all CM/ECF participants

⁴ On April 21, 2021, the UCC filed their *Joinder of the Official Committee of Unsecured Creditors in Support of the Government Parties’ Objection to DRA Parties’ Standing to Seek Relief from Automatic Stay or in Alternative, Order Payment of Adequate Protection* [ECF No. 16519].

in this case. We further certify that, on this same date, we served the foregoing upon all the Standard Parties as identified and defined in the CMP Order.

Dated: May 4, 2021
San Juan, Puerto Rico.

Respectfully submitted,

O'MELVENY & MYERS LLP

/s/ Peter Friedman
John J. Rapisardi
Maria DiConza
Matthew P. Kremer
7 Times Square
New York, NY 10036
Telephone: (212) 326-2000
Facsimile: (212) 326-2061
Email: jrapisardi@omm.com

-and-

Peter Friedman
1625 Eye Street, NW
Washington, DC 20006
Telephone: (202) 383-5300
Facsimile: (202) 383-5414
Email: pfriedman@omm.com

Attorneys for the Puerto Rico Fiscal Agency and Financial Advisory Authority

MARINI PIETRANTONI MUÑIZ LLC

/s/ Luis C. Marini-Biaggi
Luis C. Marini-Biaggi
USDC No. 222301
Carolina Velaz-Rivero
USDC No. 300913
250 Ponce de León Ave., Suite 900
San Juan, Puerto Rico 00918
Tel: (787) 705-2171
Fax: (787) 936-7494

Attorneys for the Puerto Rico Fiscal Agency and Financial Advisory Authority

Dated: May 4, 2021
San Juan, Puerto Rico

Respectfully submitted,

/s/ Michael A. Firestein
Martin J. Bienenstock (*pro hac vice*)
Brian S. Rosen (*pro hac vice*)
PROSKAUER ROSE LLP
Eleven Times Square
New York, NY 10036
Tel: (212) 969-3000
Fax: (212) 969-2900

-and-

Michael A. Firestein
(Admitted *Pro Hac Vice*)
PROSKAUER ROSE LLP
2029 Century Park East
Suite 2400
Los Angeles, CA 90067-3010
Tel: (310) 557-2900
Fax: (310) 557-2193
Email: mfirestein@proskauer.com

*Attorneys for the Financial Oversight and
Management Board for Puerto Rico, as
representative of the Commonwealth and
HTA*

/s/ Hermann D. Bauer
Hermann D. Bauer
USDC No. 215205
O'NEILL & BORGES LLC
250 Muñoz Rivera Ave., Suite 800
San Juan, PR 00918-1813
Tel: (787) 764-8181
Fax: (787) 753-8944
Email: hermann.bauer@oneillborges.com

*Attorney for the Financial Oversight and
Management Board for Puerto Rico, as
representative of the Commonwealth and
HTA*

Dated: May 4, 2021
San Juan, Puerto Rico

Respectfully submitted,

C. CONDE & ASSOC. LAW OFFICES

By: /s/ Carmen D. Conde Torres
Carmen D. Conde Torres
(USDC No. 207312)

/s/ Luisa S. Valle Castro
Luisa S. Valle Castro
(USDC No. 215611)

254 San José Street
Suite 5
San Juan, PR 00901-1523
Tel: 787-729-2900
Fax: 787-729-2203
E-mail: condecarmen@condelaw.com

-and-

SCHULTE ROTH & ZABEL LLP

By: /s/ Douglas S. Mintz
Douglas S. Mintz (admitted *pro hac vice*)
901 Fifteenth Street, NW, Suite 800
Washington, DC 20005
Tel: 202-729-7470
Fax: 202-730-4520
E-mail: douglas.mintz@srz.com

-and-

Douglas Koff (admitted *pro hac vice*)
Abbey Walsh (admitted *pro hac vice*)
Peter J. Amend (admitted *pro hac vice*)
919 Third Avenue
New York, NY 10022
Tel: 212-756-2000
Fax: 212-593-5955

E-mail: douglas.koff@srz.com
abbey.walsh@srz.com

-and-

MCCONNELL VALDÉS LLC
270 Muñoz Rivera Avenue, Suite 7
Hato Rey, Puerto Rico 00918
PO Box 364225
San Juan, Puerto Rico 00936-4225
Telephone: 787-250-5632
Facsimile: 787-759-9225

By: /s/ Arturo J. García-Solá
Arturo J. García-Solá
USDC No. 201903
Email: ajg@mcvpr.com

By: /s/ Nayuan Zouairabani
Nayuan Zouairabani
USDC No. 226411
Email: nzt@mcvpr.com

Attorneys for AmeriNational Community Services, LLC as servicer for the GDB Debt Recovery Authority

peter.amend@srz.com

*Attorneys for Cantor-Katz Collateral Monitor
LLC, as Collateral Monitor for the GDB Debt
Recovery Authority*

Exhibit A

Proposed Order

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

-----x

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

-----x

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

-----x

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO HIGHWAYS AND
TRANSPORTATION AUTHORITY (“HTA”)

Debtor.

-----x

PROMESA

Title III

No. 17 BK 3567-LTS

Re: ECF No. 7646, 7689, 7832,
8244, 12005, 12523, 12533,
13541, 13703, 13904, 14132, &
14417

**[PROPOSED] ORDER APPROVING URGENT MOTION MODIFYING ORDER ON
JOINT STIPULATION OF THE GOVERNMENT
PARTIES AND THE DRA PARTIES REGARDING THE DRA PARTIES’ MOTION
AND MEMORANDUM OF LAW IN SUPPORT OF THEIR MOTION FOR
RELIEF FROM THE AUTOMATIC STAY, OR IN THE ALTERNATIVE,
ORDERING PAYMENT OF ADEQUATE PROTECTION**

¹ The Debtors in these Title III cases, along with each Debtor’s respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566(LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), and (iv) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747).

Upon consideration of the *Urgent Joint Motion of the Government Parties and the DRA Parties Regarding Extension of Certain Deadlines Concerning the Litigation Schedule of the DRA Parties' Amended Motion and Memorandum of Law in Support of their Request for Adequate Protection or Relief from the Automatic Stay* (the “Urgent Motion”),² filed on May 4, 2021 by the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), pursuant to the authority granted to it under the Enabling Act of the Fiscal Agency and Financial Advisory Authority, Act 2-2017; the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board” and together with AAFAF the “Government Parties”) in its capacity as Title III representative of the Commonwealth of Puerto Rico (the “Commonwealth”) and the Puerto Rico Highways and Transportation Authority (“HTA”); AmeriNational Community Services, LLC (the “Servicer”), as servicer for the GDB Debt Recovery Authority (the “DRA”), and Cantor-Katz Collateral Monitor LLC, a Delaware limited liability company (the “Collateral Monitor,” and together with the Servicer, collectively, the “DRA Parties”),³ and the Court having found and determined that (i) the Court has jurisdiction over this proceeding and the Stipulation pursuant to 28 U.S.C. § 1331 and 48 U.S.C. § 2166(a); (ii) venue of this proceeding and the Stipulation is proper under 28 U.S.C. § 1391(b) and 48 U.S.C. § 2167(a); and (iii) the Court having found good cause to grant the relief requested therein, it is

HEREBY ORDERED THAT:

1. The Urgent Motion is **GRANTED** as set forth herein.
2. The DRA Parties will file the DRA Response in support of the Amended DRA Stay Motion, solely concerning the Standing Issue, no later than May 19, 2021.

² Capitalized terms not defined herein have the same meaning as in the Urgent Motion.

³ The Government Parties and the DRA Parties are sometimes hereinafter referred to as the “Parties” and each, a “Party”.

3. The Government Parties will file the Government Parties Reply (on an individual or joint basis) to the DRA Response, solely concerning the Standing Issue, by no later than June 2, 2021.⁴

4. Unless otherwise modified pursuant to the Stipulation and the Urgent Motion, the Original Order remains in full force and effect.

SO ORDERED.

Dated _____, 2020
San Juan, Puerto Rico

HONORABLE LAURA TAYLOR SWAIN
UNITED STATES DISTRICT JUDGE

⁴ To the extent the Official Committee of Unsecured Creditors (the “UCC”) has the right to be heard on the Standing Issue, the Objection Deadline and the terms of Section 9 of the Final Case Management Order for Revenue Bonds [ECF No. 12186] shall apply. All parties reserve their respective rights regarding the scope of the UCC’s participation rights in any aspect of the DRA Stay Motion litigation.